



Equity | India  
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**Eureka Stock & Share Broking  
Services Ltd.**

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## TechFunda Stock Idea

# PI INDUSTRIES Ltd.

BUY AROUND 2799 , TARGET 3121 & 3355.

BSE CODE: 523642  
SECTOR: AGRO CHEMICALS

NSE SYMBOL: PIIND  
FACE VALUE: Rs. 1.00

BLOOMBERG CODE: PI IN  
AVG DAILY VOLUME: 435430



PI IND main Long Term Trend is up but current Medium & Short Term Trend is in corrective mode.

2 months back stock printed the peak at 3534 level , then corrected upto 2703 which one is a very crucial technical support as per horizontal trend line & as per weekly chart it is 50 Weeks Moving Average. As per daily chart stock is trying to cross a upper edge of the falling wedge & supported by 5Dma 2750. More fresh strength above 3000 then stock may move upto 3121 & extended upto 3250-3355.

## FUNDAMENTAL DRIVER

PI Industries manufactures plant protection & specialty plant nutrient products and solutions under its agri-inputs business. It is also one of India's leading custom synthesis (CSM) companies engaged in providing contract research and contract manufacturing services to global innovators.

- The management remains positive on robust outlook across its business verticals - domestic/exports backed by growth visibility with pharma integration. ISAGRO business integration coupled with strong order book, new launches and exports should widen the prospects further.
- PI Industries after terminating business transfer agreement with Ind Swift, assured that its strategy to strengthen presence in custom synthesis exports through diversification into adjacencies including pharma remains intact.
- The R&D establishment within PI remains attuned to developing and scaling multiple advanced technologies, processes and platforms to execute its long-term strategy. The company will also continue to evaluate other M&A opportunities that are aligned to its strategic direction with the intention to create a differentiated scale play in pharma.
- Post the acquisition of Isagro Asia, PI demerged the B2C business to Jivagro Ltd (a wholly owned subsidiary of PI) to focus on scaling up its presence in the segment – PI earlier lacked exposure in the Horticulture segment. PI targets a more than 25% CAGR over the next 4–5 years in Jivagro and intends to be India's horticulture specialist company.
- The company expected to sustain the near-term growth momentum, led by a) a ramp-up in operations at two multi-purpose plants (MPP), which commenced in FY21, and plans for one new MPP to be commercialized by FY22
- Strong cash flows and balance sheet position, healthy order book, new launches, commercialization and continued R&D investments should drive sustainable growth.

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